

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Industries and Commerce Department – Extension of certain incentives under Industrial Development Policy 2015-2020 under Mega Project Status to M/s Saint Gobain India Pvt. Ltd with an investment of Rs. 2000 Crore and potential to provide employment to 450 persons directly and to create employment to 850 persons indirectly – Orders - Issued.

INDUSTRIES & COMMERCE (POLICY & INVESTMENT) DEPARTMENT

G.O.MS.No. 92

Dated: 13-08-2018

Read the following:-

- 1) G.O.Ms.No.36, Ind. & Com.(IP&INF) Dept., dt.29-4-2015.
- 2) Request of M/s Saint Gobain India Pvt. Ltd. Dated 20/02/2018 and 22/05/2018 (DPR)
- 3) State Investment Promotion Committee Meeting on 29.05.2018.
- 4) State Investment Promotion Board Meeting on 12.06.2018.

ORDER:

In the G.O. 1st read above, Government have issued orders declaring Industrial Development Policy 2015-20.

2. In the reference 2nd read above, M/s Saint Gobain India Pvt Ltd proposed to set up manufacturing of Gypsum Plaster Board, and float glass at Atchutapuram, Visakhapatnam with an investment of Rs.2000 Crores. with a potential to create direct employment to 450 persons and 850 persons indirectly in three phases. The project proponent would like to set up the facility with an investment of Rs. 500 Crores in first phase, Rs. 900 Crores in Second phase and Rs. 600 Crores in third phase and requested to provide the following incentives.

- (1) To provide land at Plot Nos. 16, 17, 18 and 18A admeasuring 200 acres at Atchutapuram, Visakhapatnam at Rs. 40 lacs per acre. Dual access to wide roads. Relocation of notified water bodies to another location within site footprint.
- (2) 100% refund of State Goods and Services Tax (SGST) in line with Industrial policies of various States.
- (3) CGST refund to the extent of the State's share in the Central Pool
- (4) Allotment of mines for Silica sand, calcite, dolomite, etc.
- (5) Electricity at Rs. 2.5 per Kwh and exemption from electricity duty
- (6) 2490 KL of water to be provided at Rs. 25 / KL
- (7) Provision of pipeline for gas and availability of Natural Gas at our site.
- (8) Subject to availability of pipeline and Natural Gas, which is a pre-requisite for commencement of Glass production, a relaxation of two (2) years (from 5 years to 7 years) is requested for continued availability of mega project benefits.

(P.T.O)

3. In the reference 3rd read above, the State Investment Promotion Committee examined the proposal and discussed in detail and recommended the following incentives to M/s Saint Gobain India Pvt. Ltd.

- (1) Since the unit generates very less employment (75 direct employment in phase-I, it seems no justification to provide land at a concessional rate. Hence, State Investment Promotion Committee (SIPC) opined that land be allotted to the extent assessed by Andhra Pradesh Industrial Infrastructure Corporation at its prevailing rates.
- (2) To provide State Goods and Services Tax (SGST) reimbursement as per the policy.
- (3) A tracking mechanism to be developed by the unit holder for tracking Net State Goods and Services Tax accrued and retained in the State.
- (4) Mines may be allotted as per the existing policy.
- (5) To provide electricity subsidy as per the Industrial Development Policy 2015-2020.
- (6) Water may be provided at Rs 40/KL.
- (7) Gas allotment shall be responsibility of the applicant industry.
- (8) Modalities for last mile connectivity can be worked out by entering into an agreement with Andhra Pradesh Gas Distribution Corporation.

4. In the reference 4th read above, the State Investment Promotion Board (SIPB) has examined the proposal of M/s. Saint Gobain India Pvt. Ltd discussed in detail and decided to consider M/s. Saint Gobain India Pvt. Ltd for the following incentives.

- (a) APIIC informed that the prevailing land cost in Atchutapuram IP area is Rs. 84.84 lacs per acre and as per DPR evaluation report, land requirement for this project is 164 acres only. The Board decided to allot land at prevailing rate without any reduction, since the land identified is prime land, and the committed employment is not high. Alternatively, SIPB recommended APIIC to show alternate land parcels to the company in Atchutapuram IP-Phase II and allocate the same @ Rs.60.00 Lakhs per acre (developed land), if the company is willing to take the land.
- (b) Secretary, Energy Department informed that with the upcoming gas pipeline in the region, gas allocation can be made. Modalities for last mile connectivity can be worked out by the Company through an agreement with Andhra Pradesh Gas Distribution Corporation.
- (c) To supply water at Rs 40/KL.
- (d) 50% of net State Goods and Services Tax (SGST) accrued to the State for 7 years or up to 100 % Fixed Capital Investment (FCI), whichever is earlier.
- (e) To allocate mines as per the existing policy.
- (f) All other incentives as per Industrial Development Policy 2015-20.

5. After careful consideration of the recommendations of the State Investment Promotion Board, Government hereby extend the following incentives under mega project status to M/s. Saint Gobain India Pvt. Ltd to establish Phase 1 for Plaster Board manufacturing facility 1800 mmbtu per day to be established by FY 2019-20 Phase-II for Glass manufacturing facility 4500 mmbtu Per Day Plus Additional Plaster Board facility 1800

mmbtu total requirement of Phase-II is 6100 mmtbu per day to be established FY 2025-26 Phase-III for Glass Manufacturing facility 4500 mmbtu per day to be established FY 2027-28 with an investment of Rs. 2000 Crore and potential to provide employment to 450 persons directly and to create employment to 850 persons indirectly

- (a) To allot land to an extent of 164 acres at prevailing rate of Rs 84.84 Lakhs per acre without any reduction. Alternatively Andhra Pradesh Industrial Infrastructure Corporation to show alternate land parcels to the company in Atchutapuram Industrial Park-Phase II and allocate the same @ Rs.60.00 Lacs per acre (developed land), if the company is willing to take the land.
- (b) With the upcoming gas pipeline in the region, gas allocation can be made to the company. Modalities for last mile connectivity can be worked out by the Company through an agreement with Andhra Pradesh Gas Distribution Corporation.
- (c) To supply water at Rs 40/KL for a period of 5 years.
- (d) 50% of net State Goods and Services Tax (SGST) accrued to the State for 7 years or up to 100% Fixed Capital Investment, whichever is earlier.
- (e) To allocate mines as per the existing policy.
- (f) All other incentives as per Industrial Development Policy 2015-20.

6. The Commissioner of Industries, Andhra Pradesh, Vijayawada and Vice Chairman & Managing Director, Andhra Pradesh Industrial Infrastructure Corporation, Vijayawada shall take necessary action in the matter, accordingly and intimate the status of the progress of work done by the unit from time to time to the Government.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

SOLOMON AROKIJARAJ
SECRETARY TO GOVERNMENT & CIP

To
The Commissioner of Industries, Andhra Pradesh, Vijayawada.
The Vice Chairman & Managing Director, APIIC, Vijayawada.
M/s. Saint Gobain India Private Limited, 5th Level, Leela Business Park,
Andheri, Kurla Road Andheri East, Mumbai 400059 through the
Commissioner of Industries, Andhra Pradesh through Commissioner of
Industries.
The PR& RD (PR) Department, A.P. Secretariat.
The MA& UD Department, A.P. Secretariat.
The Energy, I&I Department, A.P. Secretariat.
The Water Resources Department, A.P. Secretariat.
The Revenue (CT) Dept., A.P. Secretariat.
The Industries & Commerce (Mines) Dept., A.P. Secretariat.
The Collector& District Magistrate, Visakhapatnam District.
The General Manager, District Industries Centre, Visakhapatnam District.
The Zonal Manager, APIIC, Visakhapatnam.

Copy to

The Finance (Revenue, I&C) Department, A.P. Secretariat.

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The Revenue (Registration) Department, A.P. Secretariat.
The TR&B Dept., A.P. Secretariat.
The LET&F Dept., A.P. Secretariat.
The Law(H) Department.
The Accountant General, Andhra Pradesh
The Commissioner of Commercial Taxes, Vijayawada.
PS to Principal Secretary to Chief Minister
PS to Chief Secretary to Government
PS to Secretary to Government & CIP, Industries & Commerce Dept.
PS to Secretary to Govt., Ind. & Com. (Mines) Dept.,
SC/SF.

//FORWARDED:: BY ORDER//

SECTION OFFICER